

**For discussion
on 23 March 1999**

LEGCO PANEL ON PLANNING, LANDS AND WORKS

Creation of A Supernumerary Post for the Land Registry for the Implementation of the Strategic Change Plan

PURPOSE

This Paper briefs Members on the proposal to create a supernumerary post under the Land Registry Trading Fund for a period of three years from 14 May 1999 for the implementation of the Strategic Change Plan (SCP)-

1 Principal Land Registration Officer (D1)(\$98,250 - \$104,250)

offset by the deletion of the following permanent post -

1 Chief Land Registration Officer (MPS 45 - 49)(\$76,485 - \$88,115)

PROBLEM

2. The Land Registrar needs dedicated directorate support to implement the SCP that will enhance the operation of the Land Registry by centralising its registration functions in one office and replacing the existing system of deeds registration with one of title registration.

PROPOSAL

3. We propose to strengthen the directorate structure of the Land Registry to further explore and implement the SCP by creating one supernumerary post in a new rank of Principal Land Registration Officer (PLRO)(D1), offset by the deletion of one Chief Land Registration Officer (CLRO) post, to head the Change Project (CP) Division and to co-ordinate and manage all aspects of the SCP.

JUSTIFICATION

4. There are at present nine district land registries. Each registry maintains its own staff to provide land registration and land search services in respect of the properties in the district. There are diseconomies of scale under such an arrangement.

5. In order to provide a more convenient and cost-efficient service to the public, the Land Registrar proposes to implement the SCP that aims to -

- (a) centralise the registration and search functions of the Land Registry in one office under the Central Registration System (CRS); and
- (b) change the registration of land documents from deeds registration to a land title registration system (LTS).

6. The LegCo Panel on Planning, Lands and Works was briefed on the CRS and the LTS at its meetings on 17 November 1998 and 19 January 1999 respectively. We consider that, in order to implement the SCP, we need additional directorate support in the Land Registry to review the existing land registration system and to manage and co-ordinate all aspects of changes envisaged in the SCP. We will review the progress of the SCP and the need for the post in mid-2001.

7. The transition to a system of centralised registration and title registration will be a complex exercise that will involve a number of sensitive issues like human resources management, training, and liaison with customers, solicitors and the real estate industry. The Land Registrar has recently set up a CP Division to manage all aspects of the SCP. The CP Division comprises one CLRO and one Senior Land Registration Officer, deployed from the in-house team created for the SCP study.

8. The Land Registrar considers that, for the successful implementation of the SCP, it is necessary for the CP Division to be headed by a directorate officer who will undertake the role of Change Manager (CM). The CM will be responsible for devising and implementing new operational procedures for all aspects of the Registry's operations and for formulating transition strategies to achieve specific targets and goals for each phase of implementation of the SCP in a way that ensures that existing operations of the Land Registry are not disrupted. To this end, he will co-ordinate the work of the IT specialists, legal professionals and departmental staff involved in the SCP to ensure timely and appropriate implementation of each phase. He will also be responsible for ensuring that the change plan is effectively communicated to all staff, reducing resistance to

changes, enlisting support from staff at all levels and fostering commitment. He will prepare Land Registry staff for key job changes by drawing up training plans with reference to the competency gaps identified. He will liaise with the Government Property Agency to secure new properties and devise new accommodation and layout schedules for the new offices. He will conduct consultation programmes and publicity activities to secure the support of Land Registry clients and other interested organisations for the smooth implementation of the plan.

9. At present there are two directorate officers, namely the Registry Manager (D2) and the Business Manager (D1), working under the Land Registrar (D4). The Registry Manager is responsible to the Land Registrar for the overall management, supervision, co-ordination, planning and the day to day operation of the Urban Land Registry and the eight New Territories Land Registries. She is tasked with the delivery of efficient and cost-effective land registration and search services. The Business Manager reports to the Land Registrar for all financial management and accounting functions. She formulates business strategies and plans to enable the Land Registry to be commercially viable and to meet its financial targets set out in the Corporate and Business Plans. She also plays a significant role in pricing policy, setting and monitoring of service standards and resource allocation in order to ensure effective implementation of the business strategy. The existing directorate officers are fully engaged in their present duties and they do not have sufficient capacity to take up the responsibilities of the CM post which requires a full-time dedicated officer.

10. In view of the importance, magnitude and complexity of these tasks, we consider that the CM post should be ranked at D1 level and be filled by a member of the Land Registration Officer (LRO) grade who is thoroughly conversant with the Land Registry's IT systems and legislation. As there is at present no D1 rank for the LRO grade, we propose to create a new rank of PLRO at D1 level and create a supernumerary post for three years. This supernumerary post and new rank will lapse ~~in the event that the feasibility study referred to in paragraph 7 above confirms that the CRS is not viable or~~ when the SCP becomes fully operational. We will review the progress of the SCP in mid-2001. We will delete the existing CLRO post in the Division upon creation of the proposed PLRO post. The proposed duty list of the PLRO post, to be known departmentally as the Change Manager, is at Enclosure 1.

Encl. 1

11. The proposed organisation chart of the Land Registry is at Enclosure 2. We will review the need for this supernumerary post as the SCP rolls out.

Encl. 2

FINANCIAL IMPLICATIONS

12. The additional notional annual salary cost of this proposal at mid-point is -

| | \$ | No. of Post |
|--|----------------|-------------|
| New supernumerary post PLRO (D1) | 1,213,200 | 1 |
| Less | | |
| Permanent post to be deleted CLRO (MPS 45-49) | <u>985,260</u> | <u>1</u> |
| Additional cost | <u>227,940</u> | <u>0</u> |

13. The additional full annual average staff cost of the proposal, including salaries and staff on-costs, is \$309,087. We have included sufficient provision under the Land Registry Trading Fund Business Plan 1998-99 to meet the costs of this proposal.

14. The financial requirements for implementing the above proposal represent 0.08% of the estimated total recurrent expenditure of the Land Registry and are expected to have minimal impact on fees.

15. The Land Registrar targets to reduce the establishment of the Land Registry by 71 posts upon full implementation of the SCP. This would save \$14.2 million at annual mid-point salary cost. He also envisage savings in accommodation requirements of 1985 square metres, as well as in paper consumption of some 16 million pages per annum. In total, the Land Registrar aims to achieve \$20 million annual savings in staff and other costs.

BACKGROUND INFORMATION

16. The Land Registrar is the General Manager of the Land Registry Trading Fund (LRTF) established under the Trading Funds Ordinance to operate on a self-financing basis. The Land Registrar is responsible to the Secretary for Planning, Environment and Lands for the performance of the LRTF and for advising on policies and legislative issues concerning land registration and the registration of title to land. The LRTF is responsible for maintaining an efficient and effective land registration and search system to facilitate the orderly conduct of land transactions.

17. Following a review of the efficiency of LRTF's operations, the Land Registrar has developed a SCP under which he proposes to establish by 2001 a fully computerised and integrated LRS that will offer more convenient, speedy and cost effective services. The SCP envisages the amalgamation of nine existing district registration offices into a single central land registration office to provide a 'one-stop' search service without geographic restriction and the replacement of the existing system of deeds registration with a simpler and more secure system of title registration. The Land Registrar believes that these changes, together with the upgrading of the LRS to take advantage of recent information technology developments in scanning, optical reading technology, and automated document tracking, will enable the Land Registry to improve substantially the quality, speed and efficiency and reduce the costs of its services. The anticipated benefits of the SCP are summarised at Enclosure 3.

Encl. 3

CIVIL SERVICE BUREAU COMMENTS

18. Having regard to the justifications put forward, the Civil Service Bureau supports the creation of the proposed supernumerary directorate post in the Land Registry and considers the grading and ranking of the proposed post to be appropriate having regard to their level of responsibilities and the complexity of the project.

ADVICE OF THE STANDING COMMITTEE ON DIRECTORATE SALARIES AND CONDITIONS OF SERVICE

19. The Standing Committee on Directorate Salaries and Conditions of Service has advised that the grading proposed for the Principal Land Registration Officer post would be appropriate if the post were to be created.

ADVICE SOUGHT

20. Members are invited to comment on the above proposal to create one supernumerary post under the Land Registry Trading Fund.

Planning, Environment and Lands Bureau
March 1999

Job Description of the Change Manager (CM)

Rank : Principal Land Registration Officer (D1)

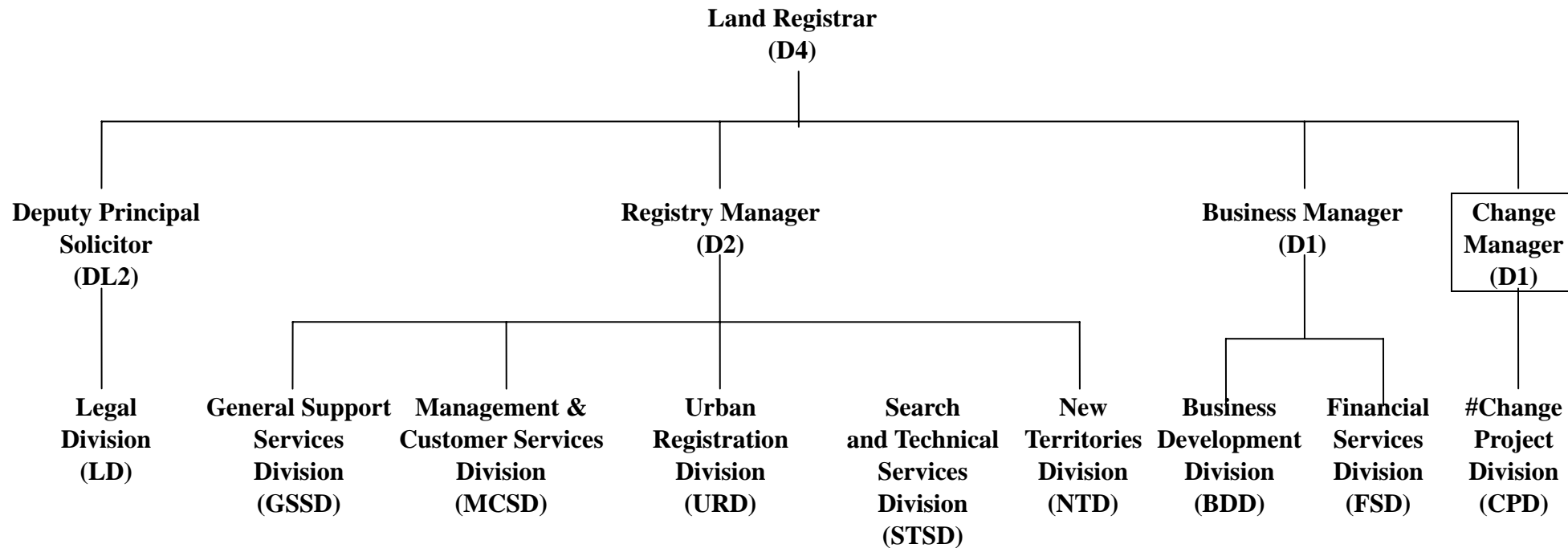
Responsible to the Land Registrar for the following main duties and responsibilities -

1. To ensure timely and successful implementation of the recommendations in the Land Registry Strategic Change Plan, particularly the two key Change Drivers, namely the Central Registration System (CRS) and the Land Title System (LTS).
2. To head the Change Project Division and to liaise closely with the IT Division and the Legal Services Division for equipping the Land Registry with a fully automated land title registration system by employing best practices in management of information and for securing the smooth implementation of the LTS by co-ordinating the operational aspects of the Land Titles Bill and Regulations.
3. To secure commitment and support for the Strategic Change Plan at every level in the Land Registry, and to map out strategies to prepare and help staff to implement the two key Change Drivers, in particular,
 - (a) to devise a new integrated flow system for the revised business processes that will emerge from both CRS and LTS, and to review and re-design accommodation requirements in the Land Registry's headquarters to reflect these changes;
 - (b) to devise and implement a programme for the transfer of registration services from the NT offices to the Land Registry's headquarters, and to identify revised accommodation equipment and staffing requirements of the re-organised NT offices;
 - (c) to draw up training plans with reference to critical competencies; and
 - (d) to liaise with clients and interested bodies to secure their support for the smooth implementation of the CRS : in particular to prepare and co-ordinate appropriate consultation and publicity programmes, including LR Circular Memoranda.

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4. To liaise with the Deputy Principal Solicitor in consulting the Law Society, clients, and interested bodies to secure their support for the smooth implementation and operation of LTS. In particular, to prepare and co-ordinate appropriate consultation and publicity programmes.
5. To prepare and co-ordinate appropriate arrangements in the Land Registry for switching from a deeds to a title system, in preparation for the enactment of the Land Titles Bill.
6. Any other duties assigned by the Land Registrar.

Proposed Organisation Chart of Land Registry



⌈ New post sought in this paper.

Currently headed by a Chief Land Registration Officer post. This post will be deleted upon creation of the proposed Change Manager post.

Summary of Benefits of the Strategic Change Plan

- (1) To provide property purchasers with clarity of title.
- (2) To provide property owners with guaranteed title to their properties.
- (3) To simplify conveyancing procedures and therefore reduce conveyancing costs.
- (4) To streamline search and registration procedures and therefore reduce property transaction time.
- (5) To enhance data integrity.
- (6) To reduce the Land Registry's establishment by 71 staff(10 %).
- (7) To reduce the Land Registry's accommodation requirements by 1985 square metres (18 %).
- (8) To achieve savings in staff and other recurrent costs of \$20 million (5% of annual costs).
- (9) To save 16 million pages of paper per annum.
- (10) To accelerate the feasibility studies of numerous business improvement practices for the Land Registry.
- (11) To provide further savings if a way can be found to deliver the LRS information technology services in a more cost-effective manner.